MARKET REVIEW: Supercomputers: Big Bang, Big Bucks page 73

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DATAMATION®

FOR MANAGERS OF INFORMATION TECHNOLOGY WORLDWIDE

FEBRUARY 15, 1991

Frederick P. Meyer, president, Meridian Data Inc., with CD Professional

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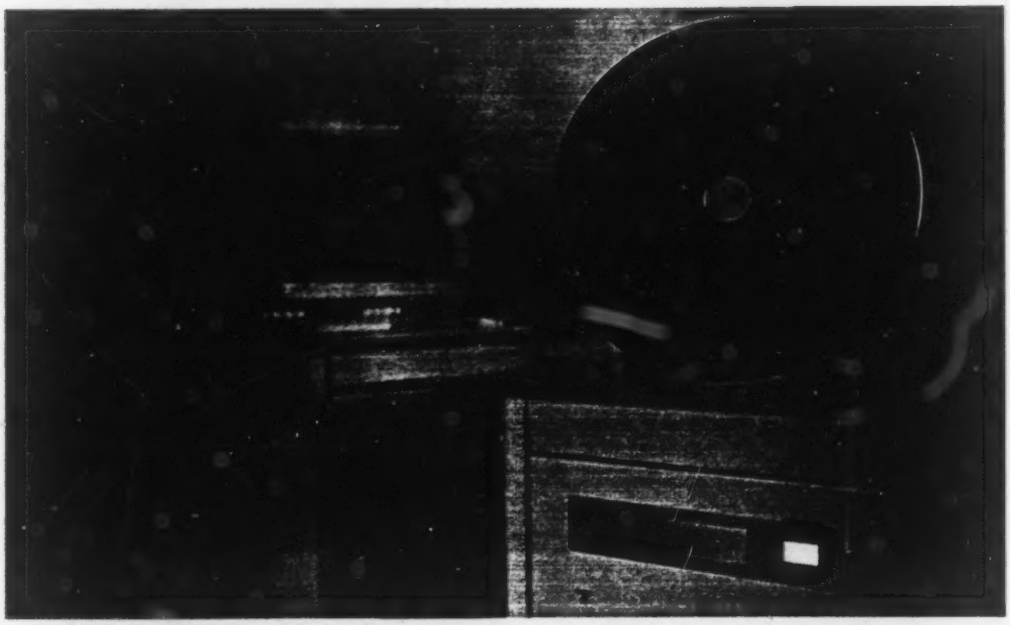


Using CD Professional, users can bypass the expensive outside mastering process altogether.

COVER STORY

PCs & WORKSTATIONS

CD-ROM Production Power! 26

BY TOM McCUSKER Producing a CD-ROM application was once so expensive that only huge projects were justified. But Meridian Data's CD-ROM Professional potentially lowers the cost by bringing CD-ROM production in house.

Cover photography by David Toerge/Black Star

SPECIAL REPORT

CONTEST WINNERS

Products Of The Year 79

BY MIKE RICCIUTI In the October 15, 1990 issue, DATAMATION asked IS professionals to vote for the year's most outstanding new products from our roundup of more than 100 innovative industry offerings.

PRODUCT GUIDE

FEATURE

A Windows Alternative 71

BY JEFF MOAD Geos, a Windows alternative for 8088- and 80286-based PCs, interests users, but it does have one drawback: too few applications.

GeoWorks's Dougherty says new applications under Geos, such as a database and spreadsheet, will shape the future.

FEATURES

PCs & WORKSTATIONS

ASSET MANAGEMENT

Take Control Of Your PC Assets 33

BY BOB FRANCIS Today's IS managers are responsible for billions of dollars worth of equipment and software. But how many managers really know where and what their assets are? Here are several ways to find out.

Coopers & Lybrand's Rood found himself in charge of a computer hodgepodge.

INTEROPERABILITY

PC Software Moves Upscale 37

BY GREGG KEIZER A growing number of companies are successfully running their favorite PC software packages on minis and mainframes. It's often cheap and easy to do, but you can't always get the latest version for the big iron.

NETWORKS

WIRELESS

Wireless LANs Cut Cabling Hassles 43

BY TED BUNKER Major vendors are now marketing cable-free local area networks that make adds, moves and deletes a trivial matter. Speeds are now competitive with cabled LANs, but you pay for convenience.

NETWORKS

MULTIPLEXERS

New Muxes Deliver Low-Cost Data 46

BY TOM McCUSKER Network access multiplexers fill a need for single-point T1 connections— and at a very low entry cost. Now large equipment suppliers are offering them.

SOFTWARE

OFFICE AUTOMATION

New Tools To Integrate The Office 55

BY JOHN KADOR Management wants to automate the office so much it hurts. And guess what? IS managers now have their choice of a bevy of new office systems that may, at long last, make the office floor hum like the factory floor.

SYSTEMVIEW

Inside IBM's SystemView 62

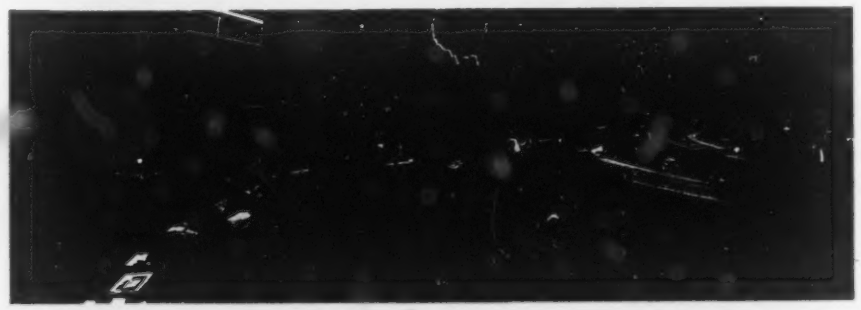
BY LEILA DAVIS IBM touts SystemView as the solution to all your system management problems. The Big Question: When will it all happen?

SYSTEMS

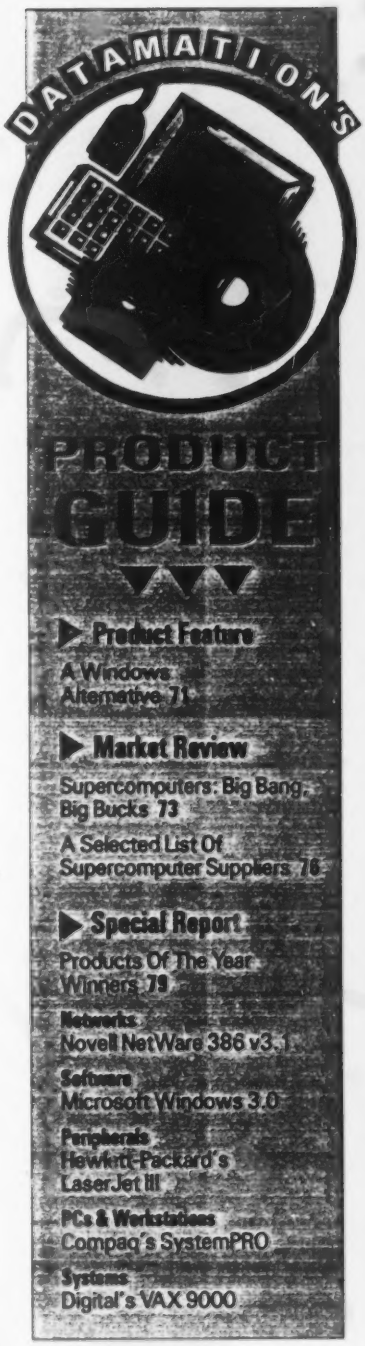
OUTSOURCING

A Kinder, Gentler EDS? 65

BY JEFF MOAD Critics describe outsourcing vendor EDS as a shark—a company with killer instincts and big teeth. The company is trying to soften its image. But it's still cruising for prey, and some IS managers are nervous.



EDS's Legacy Park in Plano, Texas, has everything under control, page 65.



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CD-ROM Power For The Masses

Just a few years ago, the idea of having your own compact disc, read only memory production facility was a dream. The cost of gathering data, reformatting it for use on a CD-ROM and going to an outside mastering facility to produce a master disc all but prohibited many companies from using this efficient storage medium.

But now this dream is becoming a reality, thanks in large part to advances in price and performance. The subjects of our cover story this issue, Meridian Data Inc. and its CD Professional CD-ROM system, are, of course, examples of a company and a product that have been in the forefront of helping to achieve this breakthrough.

McCUSKER: Plays up CD-ROM appeal.

Tom McCusker, our Los Angeles bureau manager and author of "CD-ROM Production Power!," page 26, sums up the appeal of a system like the CD Professional. "Meridian's approach of using PCs for all data preparation purposes offers would-be CD-ROM publishers a number of possible savings. Some companies today, for example, surrender control of the CD-ROM data preparation stage to third parties or choose to format data on more expensive mainframes or minicomputers. In the case of the CD Professional, even the actual cutting of a CD-ROM—an expensive process normally managed by the same huge factories that churn out compact discs for your stereo—is handled by . . . a desktop peripheral."

The appeal of this technology is also becoming apparent to IS organizations. For example, Complete Health of Alabama Inc., a Birmingham health insurance company, uses the CD Professional to record scores of gigabytes of health claims information and link the discs to a server on the company's local area networks. And computer companies, such as Apple Computer Inc., IBM and Sun Microsystems Inc. are using such systems to disseminate software development information to customers.

Now that the cost of entry for CD-ROM production has been lowered, the technology will spread to more and more companies and more and more people. It's another example of how that critical growth driver—price/performance—keeps us all moving ahead.

And the Winner Is . . .

What could be a more rewarding testament to a company's product than to have the people who actually use it vote it their favorite? We really can't think of any better way to identify the products and technologies of significance to IS managers. And so, in this issue, we announce the results of our 1990 Products Of The Year Contest, page 79, chosen by the members of the IS community.

The overall winner of the contest, the ballot for which ran in our October 15, 1990 issue, is Novell Inc.'s NetWare 386 version 3.1., which also won in the Networks category of the contest. In the other categories, Compaq Computer Corp. took top PCs & Workstation honors with its SystemPRO, Microsoft Corp.'s Windows 3.0 was the Software winner, Digital Equipment Corp.'s VAX 9000 prevailed in Systems and Hewlett-Packard Co.'s LaserJet III was voted tops in Peripherals.

The ballot for our 1991 contest will be in the September 1 issue. So, start your engines now.

David R. Brousell, Editor

Coming Next Issue:

- How Auspex is carving a UNIX superserver niche
- Portable PCs at work
- A look at rewritable optical drives for PCs

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MARKET INSIGHTS

AN ANALYSIS OF ECONOMIC TRENDS

Health Services Grow, Others Go Slow

BY MADELINE FRANCHI
Cahners Economics

After a decade of rapid expansion in the 1980s, growth in the services sector slowed in 1990, and slower growth will continue this year. The services sector is the economy's most intensive user of information services.

After adjusting for inflation, we expect consumer spending on all services to increase only slightly in 1991, by a mere 0.7%. Compare that with last year's modestly healthy 2.8% increase.

The services sector is additionally important to the IS industry because of its impact on the rest of the nation's economy; services account for more than three-quarters of all nonagricultural employment in the economy.

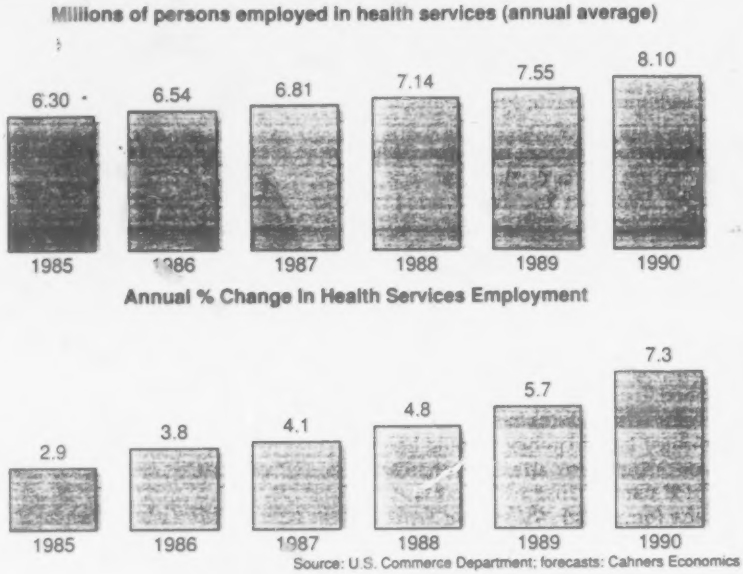
Within the direct services segment, by far the fastest growing area remains health care services. In 1991, consumers will spend an estimated $530 billion on health care services, an increase of over 10% from the 1990 total of $480 billion. A substantial part of this increase will result from rising costs of medical care, not from increases in demand.

But, consumer spending for health care will still rise 4.3% in 1991, if you factor out inflation. Consumers are accustomed to a high level of medical services, and most people must continue to pay for health care despite an economic slowdown. The rise in the median age of the U.S. population will mean higher expenditures for health care, too.

The added need for health care professionals has meant a steady rise in their numbers. Last year, average annual employment in health services totaled almost 8.1 million, up from 7.1 million just two years earlier. Furthermore, growth in health care employment is accelerating, jumping up from 3% in 1985 to just over 7% in 1990.

For more information on Cahners Economics's forecasting services, including seminars, newsletters and database diskettes, call Dan Buchan at (617)-630-2105, fax him at (617)-630-2100 or write to him at Cahners Economics, 275 Washington St., Newton, MA 02158.

Healthy Growth For Health Services Employment



Source: U.S. Commerce Department; forecasts: Cahners Economics

The Economy At A Glance

U.S. Economy: Macroeconomic And Industrial Indicators

	Actual		Forecast (Annual % Growth)		
	Q2/90	Q3/90	1990	1991	1992
Gross National Product	0.4	1.7	1.1	0.9	3.1
Business Investment In Equipment	-3.3	10.1	2.3	2.4	4.6
Government Spending	6.2	0.6	2.4	0.5	0.8
Consumer Spending	0.2	3.2	1.2	0.6	2.5
Exports	-5.0	4.3	5.3	3.1	5.4
Imports	0.7	4.3	3.3	2.2	2.7

All calculations are % change in 1982 dollars; quarterly figures are seasonally adjusted annual rates.

	Oct.	Sept.	% Change 10/90-9/90	Oct. 1989	% Change 1990-1989
Manufacturing Production (1)					
Process Industries Total	109.4	110.1	-0.6	108.2	1.1
Chemicals	111.1	110.6	0.5	109.4	1.6
Petroleum	109.3	110.9	-1.4	106.9	2.2
OEM Total	114.2	115.5	-1.1	110.0	3.8
Computers & Peripherals	152.6	153.6	-0.7	132.8	14.9
Communication Equipment	110.1	111.1	-0.9	107.1	2.8
Transportation Equipment	109.2	111.7	-2.2	102.1	7.0
Services Employment (2)					
Finance, Insurance, Real Estate	6.834	6.862	-0.4	6.737	1.4
Health Care	8.286	8.234	0.6	7.685	7.8
Computer & Data Processing	0.811	0.808	0.3	0.764	6.1
Transportation/Utilities	5.928	5.914	0.2	5.720	3.6
Retail Trade	19.804	19.872	-0.3	19.688	0.6
Wholesale Trade	6.374	6.379	-0.1	6.333	0.6
Government	18.566	18.024	3.0	18.113	2.5

(1) Index 1978=100, seasonally adjusted
(2) Millions of persons, not seasonally adjusted

Source: Commerce Dept. and Cahners Economics

MARKET INSIGHTS

A SURVEY OF TECHNOLOGY TRENDS

IBMers Are Big On Token Ring

BY WARREN CHILDS
Business Research Group

Despite widespread use of Ethernet wiring for local area networks, and despite the introduction of more economical Ethernet wiring standards, the latest survey of the DATAMATION Technology Panel shows that use of Token Ring LANs will increase at a faster pace than Ethernet in the near future—especially in large IBM shops.

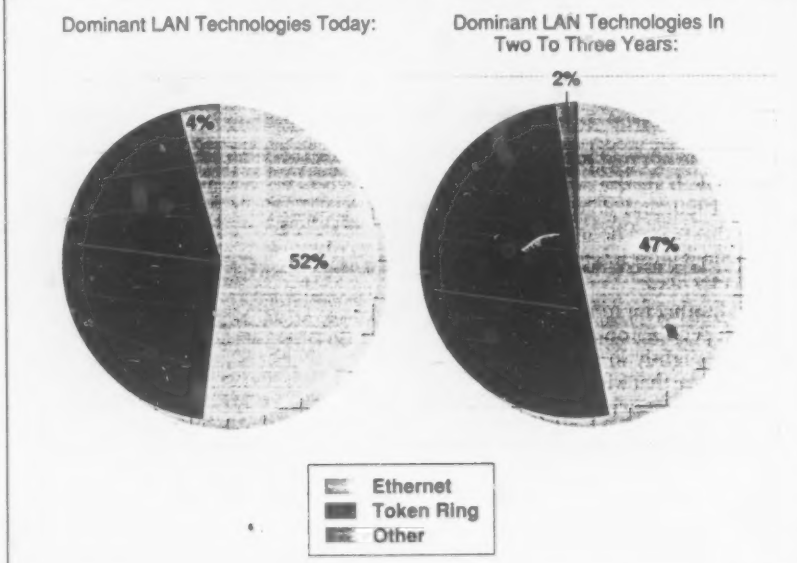
When asked to name the dominant LAN technology at their locations, 52% of our panel members named Ethernet, 44% named Token Ring and 4% named other technologies. But when asked to predict which LAN technology would be dominant at their sites in two or three years, 51% named Token Ring as the LAN of the future and 47% named Ethernet.

And no wonder, since IBM is now the predominant vendor of Token Ring LANs. As a result, Token Ring is growing at a heady pace in large IBM-based IS shops—many of which are represented in our Technology Panel's membership, which is made up of IS pros at sites with 1,000 or more employees and at least one midrange computer up and running.

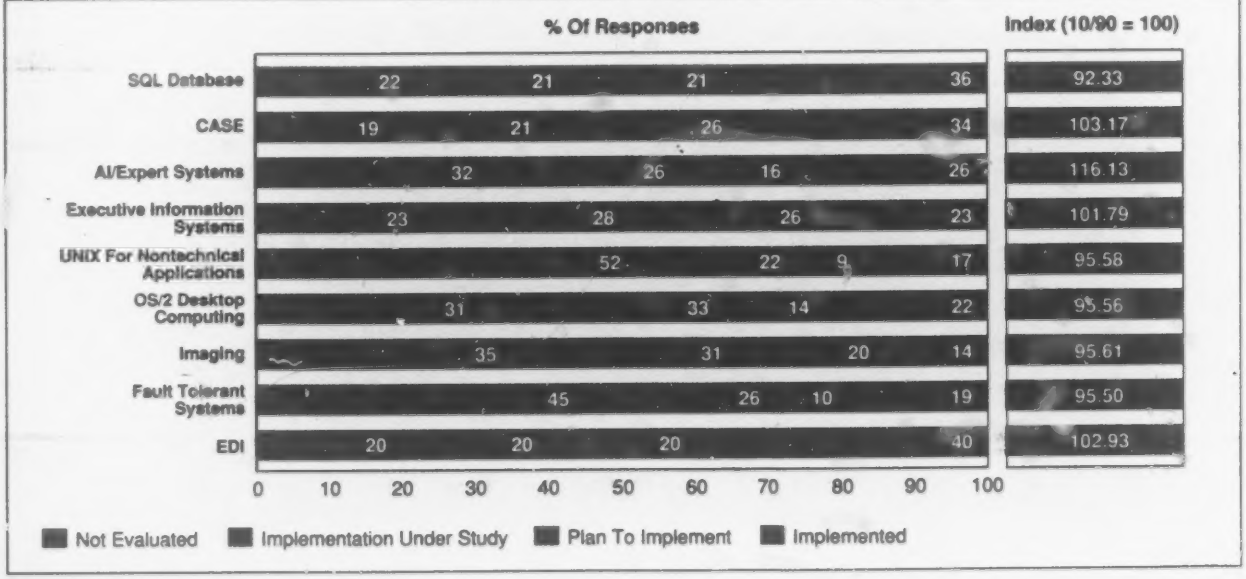
One caveat in reading the panel's data: most analysts expect Ethernet to continue to lead Token Ring through the middle of the decade at smaller IS shops. ▭

For more information, call Nancy Finn at (617)-964-6204, fax her at (617)-558-4402 or write to her at Business Research Group, 275 Washington Street, Newton, MA 02158.

Only A Token Shift?



DATAMATION's Technology Implementation Index: Systems And Software


% Of Responses
Index (10/90 = 100)
SQL Database 22 21 21 36 92.33
CASE 19 21 26 34 103.17
AI/Expert Systems 32 26 16 26 116.13
Executive Information Systems 23 28 26 23 101.79
UNIX For Nontechnical Applications 52 22 9 17 95.58
OS/2 Desktop Computing 31 33 14 22 95.56
Imaging 35 31 20 14 95.61
Fault Tolerant Systems 45 26 10 19 95.50
EDI 20 20 20 40 102.93
0 10 20 30 40 50 60 70 80 90 100
Not Evaluated
Implementation Under Study
Plan To Implement
Implemented